GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6232
ANSWERED ON:06.05.2005
PORT TRUST INSURANCE
Ponnuswamy Shri E.

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received offer from General Insurance Companies to provide risk cover to port trust in the country;

(b) if so, the details thereof alongwith terms and conditions;

(c) whether Public Sector Insurance Companies also have substantial capacity to provide risk covers to the port trusts on competitive terms;

(d) if so, the reasons for offering huge premium to private sector companies; and

(e) the details of the ports which are likely to be brought under risk cover fully ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI.S.S.PALANIMANICKAM)

(a)&(b): General Insurance Companies have a `Comprehensive Port Package Policy` for covering the risks of physical damage, business interruption, liability,port blockage and wreck removal for all the ports in the country.

(c); The four public sector general insurance companies have the capacity to underwrite risks upto Rs.25 crores. Beyond this limit, they approach overseas reinsurers for necessary reinsurance support.

(d): Private insurers can also compete for this business and it is for the individual port management to decide about the choice of their insurers.

(e): All the ports in India can be covered under this policy.